

P. E. MYERS & ASSOCIATES
Practice Before The Interstate Commerce Commission

SUITE 348, PENNSYLVANIA BUILDING

425 THIRTEENTH STREET, N. W.

WASHINGTON, D. C. 20004

RECORDATION NO. 13707 Filed 1425

(202) 737-2188

JUL 27 1982-9 13 AM Registered Practitioners

PAULINE E. MYERS

MARK D. RUSSELL

July 27, 1982 INTERSTATE COMMERCE COMMISSION

2-208A027

Mrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, DC 20423

No. 1
JUL 27 1982
Date.....
Fee \$.50.00

Dear Mrs. Mergenovich:

I have enclosed an original and one copy/counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 US Code.

This document is a Lease Agreement, a primary document, dated June 4, 1982. The names and addresses of the parties to the document are as follows:

Lessor: GWI Leasing Corporation
71 Lewis Street
Greenwich, CT 06830

Lessee: Charles Schaefer & Sons, Inc.
Post Office Box 236
Elizabeth, NJ 07207

RECEIVED
JUL 27 9 03 AM '82
FEE OPERATION BR.
I.C.C.

A description of the equipment covered by the document follows:

<u>No. of Cars</u>	<u>Description</u>	<u>Car Reporting Marks and Nos.</u>
10	100-Ton Covered Hopper Cars, 3500 Cu.Ft. Capacity.	32099 52226 51866 51492 52139 52217 52190 52453 52154 52077

A fee of \$50.00 is enclosed. Please return the original. Your cooperation in this matter is greatly appreciated.

Yours very truly,
Pauline E. Myers
Pauline E. Myers

PEM/s

Enclosures:

Lease Agreement
Check No. 3954

Dennis M. Russell
Pauline E. Myers

Interstate Commerce Commission
Washington, D.C. 20423

7/27/82

OFFICE OF THE SECRETARY

P.E. Myers & Associates
Suite 348 PA. Bldg.
425 13th St. N.W.
Washington, D.C. 20004

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **7/27/82** at **9:15am**, and assigned re-recording number(s). **13707**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

LEASE

JUL 27 1982-9 15 AM

INTERSTATE COMMERCE COMMISSION

THIS LEASE, made this 4th day of June, 1982, by and between GWI LEASING CORPORATION, a Delaware corporation, herein called "Lessor", and CHARLES SCHAEFER & SONS, INC., a New Jersey corporation, herein called "Lessee":

W I T N E S S E T H :

For and in consideration of the mutual covenants and premises hereinafter set forth, the parties hereto agree as follows:

1. Lease. Lessor hereby leases to Lessee and Lessee hereby leases and hires from Lessor each of the following described railroad cars, collectively referred to as "Cars" and each one thereof as "Car":

10 steel covered Hopper Cars, 100-Ton, 3500 Cubic Feet Capacity bearing the reporting marks and numbers set forth in the Equipment Schedule attached hereto as Exhibit I and hereby made a part hereof.

2. Lessee's Inspection. Upon delivery of the Cars, Lessee's authorized representative shall execute and deliver to Lessor duplicate certificates of inspection and acceptance substantially in the form of Exhibit II attached hereto. The execution and delivery by Lessee of such certificates shall be conclusive evidence that: (a) each Car is satisfactory to Lessee for its use, (b) each such Car has been delivered to and accepted by Lessee, and (c) each such Car shall be subject thereafter to all of the terms and conditions of this Lease.

3. Term. The term of this Lease as to each Car shall commence upon delivery of such Car by Lessor and shall run, subject to the provisions of paragraphs 9 and 18 hereof, until termination five (5) years from the first day of the calendar month immediately following the date of execution of this Lease.

4. Rent. Lessee agrees to pay rent in advance for each Car during the Term in equal monthly installments of three hundred forty dollars (\$340.00). In the event the Cars are delivered other than on the first day of the month, that month's rent shall be prorated on a daily basis.

5. Maintenance. Lessee shall promptly notify Lessor upon receipt by Lessee of knowledge of any substantial damage to any of the Cars. Lessor agrees to maintain and repair the Cars including the lining, except that running repairs (as specified in the Association of American Railroads Rules for Interchange) may be performed without prior written consent. The amount Lessor will pay for such running repairs shall not be in excess of the basis, in effect at the time the repair is made, provided by the Association of American Railroads. If any Car becomes unfit for service and shall be held in a car shop for repairs and shall remain therein for a period in excess of five days, the monthly rental with respect to such Car shall abate from and after such period until such Car is released from the shop or until another car shall have been placed in the service of Lessee by Lessor in substitution for such Car.

6. Substitution. Lessor shall have the right of substitution of cars of similar type and capacity.

7. Excess Empty Mileage. Lessee agrees to reimburse Lessor for any payment Lessor may be required to make to any railroad, due to mileage equalization where applicable, resulting from excess empty mileage incurred by the Cars on such railroad. For the purpose of this paragraph, the railroad mileage and junction reports shall be prima facie evidence of the facts reported therein. In addition, if Lessor is required to make any payments to a railroad resulting from the empty movement of any of the Cars while they are in Lessee's service, Lessee agrees to reimburse Lessor for such payments.

8. Use, Subleasing and Assignment.

(a) It is the intent of the Lessee to use the Cars exclusively in salt service from Retsof, New York, and Lessee agrees to use its best efforts to use the Cars exclusively in such service. None of the Cars shall be shipped beyond the boundaries of the United States or Canada except with the prior written consent of Lessor. Lessee agrees that if any of the Cars are used outside of Continental United States, Lessee shall reimburse Lessor for any customs duties, taxes, investment tax credit reductions or other expenses resulting from such use.

(b) Subject to Paragraph 8(a), Lessee shall have the right to transfer Cars within Lessee's own system to a base of operations other than Retsof, New York, with Lessor's prior written consent, provided that in the event any Cars are assigned, subleased or transferred by Lessee, then:

(i) Lessee shall return such Cars to Retsof, New York for all maintenance or repairs, other than running repairs and any repairs required to be performed by Lessee under Paragraph 13.

(ii) Lessee shall return such Cars to Retsof, New York for any scheduled or periodic inspection (except spot or running inspections) required by the Federal Railroad Association, or any other organization or agency with jurisdiction, or by Lessor under its maintenance program (provided that such Lessor inspections shall not be more frequent than once every four years).

(iii) The cost of transporting any Car to and from Retsof, New York for purposes set forth in paragraphs (i) and (ii) hereof, shall be at Lessee's sole expense.

(iv) The time necessary to transport any Car to and from Retsof, New York for purposes set forth in Paragraphs (i) and (ii) above, shall be excluded from the calculation of the ~~fifteen~~^{FIVE}-day period in connection with the abatement of rent pursuant to Section 5 hereof.

(c) In the event any of the Cars are used by Lessee for non-salt service, then Lessee shall notify Lessor in writing of its intent to use the Cars for non-salt service and identify the non-salt commodity to be carried by the lessee, and upon receipt of such notice, Lessor shall have the right to object in writing within seven (7) days to Lessee's proposed use only if such Cars are to be used to carry commodities such as cement, bauxite, lamp black and urea which would cause more excessive maintenance and repair costs than salt, in Lessor's sole judgement which shall be reasonably exercised, and further provided that if Lessor so objects, Lessee will not enter into such sublease; provided, however, that notwithstanding any such sublease, Lessee shall continue to remain liable to Lessor under all conditions and terms of this Agreement.

(d) No right, title or interest in any of the Cars shall vest in Lessee by reason of this Agreement or by reason of the delivery to or use by Lessee of the Cars, except the right to use the Cars in accordance with the terms of this Agreement.

9. Cars Removed from Service. In the event any Car is totally damaged or destroyed, the rental with respect to such Car shall terminate upon receipt by Lessor of notification thereof, and in the event any Car is reported to be bad ordered and Lessor elects to permanently remove such Car from Lessee's service rather than have such Car taken to a car shop for repairs, the rental with respect to such Car shall terminate upon receipt by Lessor of notification that such Car was bad ordered. Lessor

shall have the right, but shall not be obligated, to substitute for any such Car another car of the same type and capacity in accordance with the provisions of Paragraph 6, and the rental in respect to such substituted car shall commence upon delivery of such substituted car to Lessee. In the event that during the term hereof the U.S. Department of Transportation, or any other governmental agency or non-governmental organization having jurisdiction over the operation, safety or use of railroad equipment, requires that Lessor add, modify, or in any manner adjust the cars subject to this Lease in order to qualify them for operation in railroad interchange, and Lessor in its sole discretion determines prior to making any modification that the cost thereof is not economical to expend in view of the estimated remaining useful life of such car or the rental payments hereunder, and Lessor elects to permanently remove such car from Lessee's service rather than have such car taken to a car shop for such modification, the rental with respect to such car shall terminate upon the date specified in writing by Lessor, provided that such date must be prior to the date the modification is so required to be made.

10. Risk of Loss. Risk of loss for damage to or destruction of the Cars shall be with the Lessor; provided, however, in the event that any of the Cars, fittings, appliances or appurtenances of the Cars shall be damaged, ordinary wear and tear excepted, or destroyed as a result of Lessee's negligence, Lessee shall assume financial responsibility for such damage or destruction.

11. Lading. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in or on the Cars, unless such loss or damage results from negligence of Lessor, and Lessee agrees to assume financial responsibility for, to indemnify and hold Lessor harmless from and against any such loss or damage.

12. Removable Parts. Lessee, at its own expense, shall either replace or reimburse Lessor for the cost of replacing any appliance or removable part, if destroyed, damaged, lost, removed or stolen, unless the railroads transporting the Cars have assumed full responsibility for such loss or damage, or unless such loss or damage results from the negligence of Lessor or of any of Lessor's affiliates.

13. Indemnification. Lessee agrees to indemnify and hold Lessor harmless from and against any loss, liability, claim, damage or expense (including, unless Lessee assumes the defense, the reasonable cost of investigating and defending against any claim for damages) for personal injury or for property damage, including any or all consequential damages, arising out of or in connection with the use of the Cars during the term of this Agreement, excepting, however, damage to or destruction of the Cars (subject to the provisions of paragraph 10) and excepting any loss, liability, claim, damage or expense (i) which results from the negligence of Lessor or any of Lessor's affiliates; or (ii) for which a railroad or railroads, including any railroad affiliated with Lessor, has discharged such responsibility or obligation.

14. Insurance. Lessee shall maintain general liability insurance in such amounts as reasonably may be satisfactory to Lessor, shall name Lessor as an additional insured with respect to such insurance, and shall, upon request, provide Lessor certificates thereof. Lessor shall maintain such insurance as it shall deem appropriate with respect to damage to or destruction of the Cars.

15. Lettering. No lettering or marking of any kind shall be placed upon any of the Cars by Lessee except with the prior written consent of Lessor.

16. Loading. Lessee agrees not to load any of the cars in excess of the load limit stenciled thereon.

17. Demurrage. Lessee shall be liable for any demurrage, track storage or detention charge imposed in connection with any of the Cars.

18. Remedies. If Lessee shall fail to perform any of its obligations hereunder, Lessor at its election may either (a) terminate this Agreement immediately and repossess the Cars, or (b) withdraw the Cars from the service of Lessee and deliver the same, or any thereof, to others upon such terms as Lessor may see fit. If Lessor shall elect to proceed in accordance with clause (b) above, and if Lessor during the balance of the term of this Agreement shall fail to collect for the use of the Cars a sum at least equal to all unpaid rentals hereunder to the stated date of termination hereof plus an amount equal to all expenses of withdrawing the Cars from the service of Lessee and collecting the earnings thereof, Lessee agrees to pay from time to time upon demand by Lessor the amount of any such deficiency. It is expressly understood that Lessor at its option may terminate this Agreement in the event of:

(i) Any act of insolvency by Lessee, or the filing by Lessee of any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors.

(ii) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against Lessee which is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of the Lessee, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment.

(iii) The subjection of any material portion of Lessee's property to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency which is not discharged within sixty (60) days.

19. Return of Cars. Upon the termination of the Agreement, Lessee agrees, subject to the provisions of Paragraph 9 above, to return the Cars to Lessor at Greenwich, Connecticut or at such other place as Lessor may direct in Lessee's area of operations in the northeastern United States, free from all charges and liens which may result from any act or default of Lessee, and free from all accumulations or deposits from commodities transported in or on the Cars while in the service of Lessee. If any of the Cars are not returned to Lessor free from such accumulations or deposits, Lessee shall reimburse Lessor for any expense incurred in cleaning such car.

20. Taxes. Lessee agrees to assume responsibility for and to pay any and all applicable state sales taxes resulting from the use of the Cars including use or similar taxes.

21. Delays. Except with regard to Lessee's obligation to make payments to Lessor pursuant to Paragraphs 4, 7, 10, 12 and 13, each party's obligations under the contract are subject to delays due to acts of God, governmental action, wars, labor troubles, fires, floods, explosions or other accidents, delays of carriers or sub-contractors, receipt of material, or to any other cause or causes (whether or not of the same general character as those herein specifically enumerated) beyond each party's reasonable control.

22. Lessor's Assignment. It is understood that some of the Cars furnished Lessee under this Agreement and Lessor's rights under

this Agreement may, at the time of delivery to Lessee or at some future time of delivery to Lessee or at some future time during the term of this Agreement, be subject to the terms of a mortgage, deed of trust, equipment trust, pledge or assignment or similar security arrangement. Lessee agrees that the Cars may be stenciled or marked to set forth the ownership of any such cars in the name of a mortgagee, trustee, pledgee, assignee or security holder and that this Agreement, and except as provided below, Lessee's rights hereunder are and shall at all times be subject and subordinated to any and all rights of any mortgagee, trustee, pledgee or security holder (collectively the "Secured Parties" and individually the "Secured Party") if, at the time of any such subordination to the rights of any Security Holder, the Security Holder shall agree in writing with the Lessee that the Secured Party will not disturb the possession of Lessee under this Agreement, provided only that Lessee is not in default under any terms and conditions of this Agreement. As to the Cars subject hereto, this Agreement and the rentals hereunder may have been assigned and may in the future be assigned to the holder, if any, of the superior lien from time to time on each Car as determined with reference to the filings under Section 11303 of the Interstate Commerce Act; however, until notified to the contrary by any person reasonably proving to Lessee's satisfaction that he is the assignee of this Agreement or the rentals hereunder, Lessee is to pay all rentals to the order of Lessor. Lessee hereby consents to and accepts such assignment. Lessee agrees that no claim or defense which Lessee may have against Lessor shall be asserted or enforced against any assignee of this Agreement. All rental payments shall be made in full by Lessee regardless of any defense, claim or offset which may be asserted by Lessee or in its behalf.

23. Ownership of Cars. The Cars are, and shall at all times be and remain, the sole and exclusive property of Lessor, and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease. All incidents of ownership including the investment tax credit and depreciation shall be retained by Lessor. Lessee shall maintain the Cars free and clear of all charges, liens and encumbrances which any party might claim by, through or under Lessee.

24. Non-Waiver. No covenant or condition of this Lease can be waived except by the written consent of the party making such waiver. Forbearance or indulgence by either party in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by the other party to which the same may apply, and, until complete performance by either party of such covenant or condition, the other party shall be entitled to invoke any remedy available to such party under this Lease or by law or in equity despite such forbearance or indulgence.

Upon ten (10) days' written notice of either party's failure to perform any of its duties hereunder, the other party may, but shall not be obligated to, perform any or all such duties and the party so failing to perform shall pay an amount equal to the expense thereof to the other party forthwith upon written demand.

25. Additional Documents. If Lessor shall so request, Lessee shall execute and deliver to Lessor such documents as Lessor shall deem necessary or desirable for purposes of recording or filing to protect the interest of Lessor in the Cars.

26. Entire Agreement. This Lease, together with Exhibits I and II hereto, constitute the entire agreement between Lessor and Lessee and shall not be amended, altered or changed except by a written agreement signed by the parties hereto.

27. Notices. Service of all notices under this Lease shall be sufficient if given personally or mailed to the party involved at its address hereinafter set forth or at such address as such party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed with postage prepaid. The address of each party is:

Lessor:	GWJ Leasing Corp. 71 Lewis Street Greenwich, Connecticut 06830
Lessee:	CHARLES SCHAEFER & SONS, INC. P.O. Box 236 Elizabeth, New Jersey 07207

28. Titles. The titles to the paragraphs of this Lease are solely for the convenience of the parties and are not an aid in the interpretation of the instrument.

29. Time. Time is of the essence of this Lease and each or all of its provisions.

30. Governing Law. This Lease and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with the laws of the State of New York.

31. Agreement Binding. This Agreement shall be binding upon the parties hereto, their respective successors, assigns and legal representatives, and shall remain in full force and effect from the date hereof until the termination of the Lease, and all such Cars are returned to Lessor.

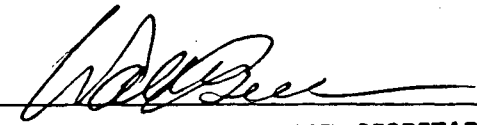
IN WITNESS WHEREOF, the parties hereto have executed this Lease
on the date first above written.

GWJ LEASING CORPORATION

By 

Title Vice President

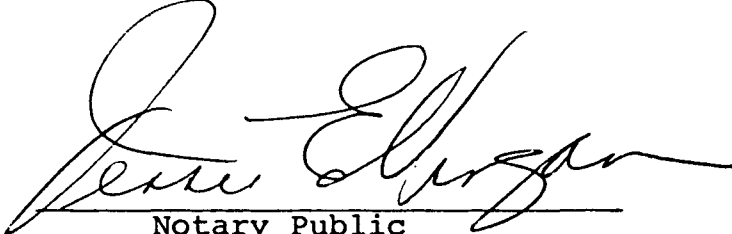
CHARLES SCHAEFER & SONS, INC.

By 

Title WALTER E. BELL, ASST. SECRETARY

STATE OF CONNECTICUT)
COUNTY OF FAIRFIELD) SS:
TOWN OF GREENWICH)

On this 14th day of June, 1982, before me,
personally came MORTIMER B. FULLER, III, to me known, who being
by me duly sworn, did depose and say that he is the Vice President
of GWI LEASING CORPORATION, the Corporation described in and
which executed the foregoing instrument; that he knows the seal
of said Corporation; that the seal affixed to said instrument is
such corporate seal; that it was so affixed by order of the
Board of Directors of said Corporation, and that he signed his
name thereto by like order.


Notary Public

FESSIE E. VINGAN
Notary Public
MY COMMISSION EXPIRES MARCH 31, 1986

STATE OF NEW JERSEY)
COUNTY OF Union) SS.
CITY OF Union)

On this 14th day of July, 1982, before me,
personally came Walter E. Bell, to me known, who
being by me duly sworn, did depose and say that he is the
Asst. Secretary of CHARLES SCHAEFER & SONS, INC., the Corporation
described in and which executed the foregoing instrument; that he
knows the seal of said Corporation; that the seal affixed to said
instrument is such corporate seal; that it was so affixed by order
of the Board of Directors of said Corporation, and that he signed
his name thereto by like order.


Notary Public

MARLENE BUCCI
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 13, 1984

EXHIBIT I

SCHEDULE OF EQUIPMENT

<u>Number of Cars</u>	<u>Description</u>	<u>Car Reporting Marks and Numbers</u>
10	100-Ton Covered Hopper Cars, 3500 Cu. Ft. Capacity	GWIX 32099 52226 51866 51492 52139 52217 52190 52453 52154 52077

EXHIBIT II

CERTIFICATE OF INSPECTION AND ACCEPTANCE
UNDER LEASE AGREEMENT

TO: GWI Leasing Corp. (Lessor)
71 Lewis Street
Greenwich, Connecticut 06830

I am the duly appointed inspector and authorized representative of CHARLES SCHAEFER & SONS, INC. (lessee) for the purposes of a lease dated , between Lessor and Lessee (the Lease). I hereby certify that I have inspected, received, approved and accepted delivery on behalf of Lessee and pursuant to paragraph 2 of the Lease, of the following railroad cars:

Type of Cars: 100-Ton, 3500 Cubic Feet Capacity, steel covered Hopper Cars.


Place Accepted: UNION, N.J.

Date Accepted: 6/14 + 6/17/82

Number of Units: 10

Numbered: AS PER EXHIBIT I

I further certify that (a) the foregoing railroad cars are satisfactory for Lessee's use and conform to the specifications shown above and (b) are numbered and stenciled on each side thereof pursuant to the Lease.



Inspector and Authorized
Representative of
CHARLES SCHAEFER & SONS, INC.